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NR 29-10-G **Anita Gore**

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Board of Equalization Specialists Verify Business Permits

Contact:

Businesses in Specific Zip Code Areas Notified of Upcoming Visits

The California State Board of Equalization (BOE) has sent letters to 8,955 retail businesses in 12 different zip codes notifying them of upcoming visits by BOE specialists. The affected zip codes receiving letters this month are: West Lake Village (91361); Riverside (92505); Fullerton (92831, 92832, and 92833); Mountain View (94040, 94041, and 94043); Palo Alto (94304, 94305, and 94306) and Oakland (94601).

The BOE specialists will be canvassing the areas to ensure that businesses are properly registered and paying taxes. The new enhanced compliance effort began in September 2008; with 211 zip codes already notified. Specialists have visited more than 115,000 businesses statewide.

These visits are part of the Statewide Compliance and Outreach Program (SCOP). The goal of these visits by the BOE specialists is to ensure all businesses are properly registered so there is no unfair business advantage over those businesses that are properly registered and reporting their taxes and/or fees. A recent two-year pilot estimated that more than three percent of businesses operating in California do so without the appropriate permits or licenses that allow for collection of sales and use tax, as well as other taxes and fees. Non-compliance is a part of the more than \$2 billion sales and use tax gap. The tax gap is the difference between the amount of taxes owed and the amount paid.

The BOE specialists will conduct checks for seller's permits of all storefronts and other known business locations. When the specialists visit, business owners will be asked business-related questions and not be asked for personal financial information. If an owner has specific questions about the inquiries from the BOE specialists, they should call their regional SCOP team contact. For general information or for forms and publications, contact the Taxpayer Information Call Center at 800-400-7115.

There are seven teams of approximately eight people each located throughout the state that began their door-to-door visits based on zip code. Registered retailers as well as service industry businesses will be checked for appropriate permits and licenses. Those businesses found to be out of compliance will be given instructions on how to register with the BOE and given information about other necessary licenses. For more information on the Statewide Compliance and Outreach Program, visit www.boe.ca.gov/sutax/SCOP_Overview.htm.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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